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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 1991.
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 33-24470-D

BEST COPY AVAILABLE

INNOVA CORPORATION
(Exact name of Registrant as specified in its charter)

Colorado	84-1060181
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

8670 Wolff Court, Suite 170, Westminster, CO 80030
(Address of principal executive offices)
(Zip Code)

(303) 426-4383
Registrant's telephone number including area code

NEW GOLF CONCEPTS, INC.
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _____ No X

The number of shares outstanding of the Issuer's Common Stock as of June 8, 1992 is 23,763,130 shares.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

See Page F-1

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Although Innova Corporation's (the "Company") liabilities are significantly in excess of its assets, the Company believes its liquidity position to be satisfactory so as to permit the Company's continued operation and implementation of its future business plans. Of the current liabilities, the Debentures are carried as an $857,500 current liability. The Debentures are 14% Convertible Debentures with interest payable annually at the rate of 14% per annum and the principal payable five years from the date of issue (May through November 1995). The Debentures are carried as a current liability for the reason that, while no claims have been made, the Debentures may be subject to rescission in the event a holder makes such a request, and therefore the total amount has been classified as a current liability. The Company has received no requests nor indications from any holder of the desire to rescind their purchase. It is the Company's opinion that there will be no request for rescission.

The note payable in the amount of $209,000 represents an obligation pursuant to an agreement to purchase a partially developed golf course in Palisade, Colorado. The Company has through March 1992 to perform certain due diligence on the property, and at its option may elect to rescind this purchase and will have no further liability pursuant to such note.

The Common Stock liability of $340,000 represents 3,400,000 shares issued for services to William D. Leary, the Company's President and Treasurer, and to Roy Parker, the Company's Executive Vice President and Secretary, for establishing the distribution network system for Isolite. As these shares have not yet been issued, a liability of $340,000 has been reported as of June 30, 1991. When the shares are actually issued, this liability will be transferred to equity.

The Company's Balance Sheet discloses a liability in the amount $601,139 (June 30, 1991) as deferred revenue from Distributors. This represents advance payments by distributors for purchases of Isolite as of such dates. Upon entry into a distributor agreement, each distributor must purchase an initial stocking inventory. Advance payment for such initial stocking inventory is required pursuant to the terms of the distributor agreement. Thereafter, payment for all product orders must be made by either wire transfer of funds, certified funds, cashier's check, or irrevocable bank letter of credit made in favor of the Company

upon presentation of invoices and bills of lading. The Company utilizes this method of payment so as to avoid the situation of having ordered product on behalf of its distributors and then not having the distributor pay for the product. Management of the Company believes that such payments methods will favorably affect the Company's liquidity position.

Not all distributors have ordered product for delivery that equals their 50,000 pound purchase requirement. The principal reasons for this are: 1) They do not wish to warehouse the product, pay fees and increase their cost until several weeks of prospecting are complete; 2) They do not have their public warehouse set up; and 3) Freight on product is less expensive when shipped in full trailer load configuration. Most trailer loads represent approximately 40,000 pounds in product. As a result not all Distributors have fully satisfied their initial purchase requirements. As marketing of Isolite is still in the initial stages, the Company is continuing to work with its Distributors and is not requiring strict compliance with all minimum purchase requirements.

The Company's liquidity position has remained constant the past three (3) months. As of March 31, 1991, the Company had a cash position of $314,474 and an inventory position in Isolite of approximately $176,000 (at cost), with $427,500 in deferred revenues, which include the Company's markup. As of June 30, 1991, the Company's cash position was $282,345, and an inventory position in Isolite of approximately $183,600, with deferred revenues of $601,139. Historically, the Company's expenditures have always been in excess of revenues, and thus the Company's liquidity position has historically been weak. The Company incurred significant expenses with respect to the sale of Isolite Distributorships. As part of the Company's establishment of its distribution network, a significant number of employees were hired and significant expenses were incurred in marketing and selling the distributorships.

Although Management expects the Company to continue operating at a loss through the fourth quarter of fiscal year 1992, Management believes the Company's liquidity position will remain sufficient to continue operations. The Company's working capital deficit as of June 30, 1991 is approximately $1,339,951; however, included as a current liability are $857,500 of Debentures which may be subject to rescission. No claims have been made by Debentureholders for rescission, and the Company does not expect such claims in the future. Therefore, Management believes the effective working capital deficit is only $482,451.

As the Consolidated Statements of Operations discloses, during fiscal year 1991 the Company incurred a loss of $1,889,350. For the three (3) months ended June 30, 1991, the Company has incurred a loss of $510,554. Expenses for the three (3) months ended June 30, 1991 principally consisted of expenses related to Isolite.

$624,000 of such expenses represent costs of goods sold, representing the cost of Isolite to the Company. $283,078 of the expenses represent marketing and promotional expenses incurred in the offer and sale of the Distributorships and Isolite. General and Administrative costs are $521,645; most of which was attributable to the development of the distribution system.

During fiscal year 1991, the Company's cash requirements increased substantially. This trend continued for the three months ending June 30, 1991. This has been the result of the dramatic expansion of the Company, primarily due to the development of a marketing and distribution system for Isolite.

As indicated by the Statement of Cash Flows, net cash used in operations for the three (3) months ended June 30, 1991 was $215,169. This increased significantly from the same period ended June 30, 1990. This was principally the result of the Company's extensive efforts in establishing its distributorship network for Isolite and incurred marketing expenses. As a result, the Company was required to raise extensive cash from financing activities.

Operations continue to be net users of cash. Cash provided by financing activities has been the principal supplier of cash for the Company. As marketing of Isolite in the United States is in its initial phases, there can be no assurance that revenues from product sales will be sufficient to meet expenses. Thus, the Company may find it necessary to continue to raise cash through financing activities to support its operations.

Capital Resources

As of June 30, 1991, the Company has no firm material commitments for capital expenditures. It is the intent of management of the Company to continue with the development and expansion of its marketing and distribution program for Isolite. Management believes in order for the Company to obtain profitable operations, it must continue to expand such marketing and distribution program for Isolite without significantly increasing its operating overhead. Management believes it will be able to continue expansion of its marketing and distribution program for Isolite through sales of Isolite by its Distributors as well as internally attempting to generate sales of Isolite to large retail and end users without expansion of its staff or facilities. Management does not intend to incur any material capital expenditures unless sufficient capital resources are available or reasonably anticipated to be available to satisfy commitments for such capital expenditures.

For the three (3) months ended June 30, 1991, the Company realized significant revenues in the amount of $1,012,576. It is Management's anticipation that this level of revenues will increase. The three (3) month period ending June 30, 1991,

represents the first period in the Company's history it has realized significant revenues from operations. Historically, the Company had relied principally upon the sale of debt and equity securities for capital resources.

Results of Operations

The three (3) month period ended June 30, 1991 represents the first period which the Company has realized substantial revenues. Historically, the Company's revenues for the year ended March 30, 1990 was $12,013, for the year ended March 31, 1991 was $105,855, and for the three (3) month period ending June 30, 1991 was $1,012,576. Of this amount, product sales consisting of Isolite accounted for $770,100, with license fees of $224,500. The reason for the dramatic increase in revenues during the three (3) month period ended June 30, 1991 was that the Company did not begin marketing distributorships for Isolite until the fourth quarter of fiscal year 1991 (January 1, 1991 through March 31, 1991). As a result, the Company received some revenues from the sale of Distributorships and from the sale of Isolite during the fourth quarter of fiscal year 1991. However, as a result of the Company's planning during fiscal year 1991, significant sales of Distributorships and sales of Isolite occurred during the three (3) month period ended June 30, 1991. Each Distributor, upon entering into a Distributorship Agreement with the Company is required to pay a $5,000 license fee and to purchase an initial order of $25,000 of Isolite. Thus, the sudden surge in sales of Isolite and Distributorships was the result of the implementation of planning which occurred during fiscal year 1991. Further, the Distributorships require ongoing purchases of minimum quantities of Isolite. For such reason, the Company anticipates the receipt of continued revenues from the sale of Isolite.

Although the Company has experienced significant revenues for the three (3) month period ended June 30, 1991, the Company operated at an overall loss of $510,554. The single largest expense represents costs of goods sold of Isolite of $624,000. General and administrative costs were second at $521,145 and were related to establishment of the Isolite distributor network. Management of the Company has targeted General and Administrative Expenses as one of the principal areas attempting to reduce costs and expenses. Marketing and promotional expenses related to Isolite were $283,078.

Management believes that it is establishing initial name recognition from Isolite. Management believes that it is achieving penetration of Isolite into the golf market which will, in turn, establish market recognition for the product. This is anticipated to lead to accelerated penetration in all markets as typically, when a turf product is accepted by a high profile group, such as golf courses, it becomes a recognized product. Although costs of goods sold is approximately three-fourths of sales revenues,

management does not believe this ratio will change significantly. Management does believe that as sales increase, other expenses consisting of general and administrative expense and marketing and promotional expense will not continue to increase, thus ultimately resulting in profitable operations.

Management anticipates the Company will experience an overall operating loss for fiscal year 1992. Management anticipates that if revenues continue their upward swing and Management is able to successfully reduce its costs and expenses, fiscal year 1993 would result in an operating profit for the Company.

Management believes that inflation has virtually no impact upon the Company's net sales, revenues or income from continuing operations nor is it expected in the immediate future to have any significant impact.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Reference is hereby made to Item 3 of Form 10-K for the fiscal year ending March 31, 1991 for a description of legal proceedings. No material developments in such legal proceedings have occurred for the quarterly period ended June 30, 1991.

Item 2. Changes in Securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Securities Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

None

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of Section 13 and 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

INNOVA CORPORATION

William D. Leary, President

Dated: June 19, 1992

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: _____
William D. Leary, President, Treasurer, and Director

By: _____
Robert B. Lange, Chairman of the Board of Directors

By: _____
Roy Parker, Vice President, Secretary and Director

By: _____
Charles "Vic" Kline, Director

By: _____
Seth Hunt, Director

By: _____
Dr. John Hernandez, Director

INNOVA CORPORATION AND SUBSIDIARIES
(Formerly NEW GOLF CONCEPTS, INC.)
CONSOLIDATED BALANCE SHEETS

	JUNE 30, 1991 (unaudited)	MARCH 31, 1991
ASSETS		
CURRENT ASSETS:		
Cash	282,345	314,474
Accounts receivable, with no allowance deemed necessary	28,739	680
Notes receivable:		
Distributors	12,500	67,500
Employees	12,000	7,000
Inventory	183,600	260,060
Prepaids	40,546	8,000
Current assets of discontinued operations	35,461	17,200
Total current assets	595,191	674,914
PROPERTY AND EQUIPMENT:		
Equipment, net of accumulated depreciation	65,204	50,744
Partially developed golf course	223,000	223,000
OTHER ASSETS:		
Deferred Debenture Costs, net	27,500	30,000
Deposits and other	28,806	2,460
Assets of discontinued operations	32,272	22,400
	971,973	1,003,518
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable	134,004	136,033
Accrued interest	74,191	51,000
Other accrued expenses	70,074	-
Debentures	857,500	670,000
Deferred revenue, distributors	601,139	427,500
Current liabilities of discontinued operations	198,234	186,600
Total current liabilities	1,935,142	1,471,133
NOTES PAYABLE	209,000	209,000
COMMON STOCK LIABILITY	340,000	360,000
STOCKHOLDERS' (DEFICIT)		
Common stock, no par value 100,000,000 shares authorized; 16,146,500 and 15,796,500 shares issued and outstanding, respectively	1,043,059	1,008,059
Additional paid in capital	330,983	330,983
Accumulated deficit	(2,886,211)	(2,375,657)
Total stockholders' (deficit)	(1,512,169)	(1,036,615)
	971,973	1,003,518

INNOVA CORPORATION
(FORMERLY NEW GOLF CONCEPTS, INC.)

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	FOR THE 3 MONTHS ENDED JUNE 30	
	1991	1990
REVENUES		
Product sales	770,100	28
License fees	224,500	-
Interest and other	17,976	-
Total revenues	1,012,576	28
COSTS AND EXPENSES		
Cost of Goods Sold	624,000	5
Marketing and promotional	283,078	30,896
Issuance of stock for services	15,000	44,600
Interest	23,191	-
General and administrative costs	521,645	110,832
Total expenses	1,466,914	186,333
LOSS FROM OPERATIONS BEFORE DISCONTINUED OPERATIONS	(454,338)	(186,305)
DISCONTINUED OPERATIONS:		
Operating (loss)	(56,216)	-
	(56,216)	0
NET LOSS	(510,554)	(186,305)
NET LOSS PER COMMON SHARE		
Continued Operations	(0.03)	(0.02)
Discontinued Operations	(0.01)	0.00
SHARE	(0.04)	(0.02)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	16,066,000	10,322,568

INNOVA CORPORATION
(FORMERLY NEW GOLF CONCEPTS, INC.)
CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY (DEFICIT)
FROM APRIL 1, 1991 THROUGH JUNE 30, 1992
(Unaudited)

	COMMON STOCK		PREFERRED STOCK		PAID-IN	DEFICIT ACCUMULATED DURING DEVELOPMENT
	SHARES	AMOUNT	SHARES	AMOUNT	CAPITAL	STAGE
BALANCE, April 1, 1991	15,796,500	1,008,059	-	-	330,983	(2,375,657)
Shares issued for cash (unaudited)						
Others	200,000	20,000	-	-	-	-
Shares issued for services (unaudited)						
Employees	150,000	15,000	-	-	-	-
Net loss	-	-	-	-	-	(510,554)
BALANCE, June 30, 1992	16,146,500	1,043,059	0	0	330,983	(2,886,211)

INNOVA CORPORATION AND SUBSIDIARIES
(formerly New Golf Concepts, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	FOR THE 3 MONTHS ENDED	
	JUNE 30, 1991	JUNE 30, 1990
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	(510,554)	(186,305)
Adjustments to reconcile net loss to net cash by operating activities:		
Stock for services	-	44,600
Depreciation	5,000	2,920
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(28,058)	731
Notes Receivable	50,000	-
Inventories	76,460	5
Prepaids	(32,546)	-
Other assets	(23,846)	(4,537)
Assets of discontinued operations	(28,133)	-
Increase (decrease) in:		
Accounts payable	(2,030)	(19,405)
Notes payable - related parties	173,639	-
Deferred revenue	-	44,519
Other liabilities	93,265	-
Accrued expenses		
Liabilities of discontinued operations	11,634	-
Net cash used by operating activities	(215,169)	(117,472)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(19,460)	(4,772)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Debentures, net	187,500	20,000
Proceeds from issuance of common stock	35,000	-
Common stock liability	(20,000)	-
Net cash provided by financing activities	202,500	20,000
NET DECREASE IN CASH	(32,129)	(102,244)
CASH, beginning of year	314,474	133,918
CASH, end of year	282,345	31,674

INNOVA CORPORATION AND SUBSIDIARIES
(formerly New Golf Concepts, Inc.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. GENERAL:

Management has elected to omit substantially all notes to the consolditated unaudited interim financial statements. Reference should be made to the Company's annual report on Form 10-K for the year ended March 31, 1991, as this report incorporates the notes to the Company's year-end financial statements.

2. UNAUDITED INTERIM INFORMATION:

The unaudited interim financial statements contain all necessary adjustments (consisting of only normal, recurring adjustments), which, in the opinion of management, are necessary for a fair presentation of the results for the interim period presented. The results of operations for the interim periods are not necessarily indicative of those expected for the year.

4. STOCKHOLDERS' EQUITY:

Subsequent to March 31,1991, the Company issued an additional 1,120,749 (unaudited) shares to officers and employees, 100,000 shares to a director and 150,000 to others for services rendered during fiscal 1992. In addition, the Board has authorized the issuance of 150,000 shares to an employee. These shares will vest over two years.

Stock Option Plans - During the period ended September 30, 1991, the Company authorized the issuance of options to purchase 9,685,000 shares of common stock to officers, directors and employees at $.10 under the NQP. The options vest as follows:

MARCH 31,	OPTIONS
1992	2,515,000
1993	2,515,000
1994	2,515,000
1995	1,415,000
1996	725,000
	9,685,000

5. COMMITMENTS:

Supplier and Letter-of-Credit - There is only one supplier of Isolite, who also became the preferred stockholder in December 1991. The loss of their commitment to provide Isolite to the Company would adversely affect the Company's future operations; however, the Company has an exclusive contract to distribute Isolite in the United States until June 30, 1996. This supplier also requires the Company to maintain an irrevocable stand-by letter-of-credit with a bank for $350,000. Generally, this credit facility has been guaranteed by private investors for which the Company has paid guarantor fees.

6. GOLF COURSE FACILITY:

During 1991, the Company purchased a partially developed golf course in Palisade, Colorado. Pursuant to this purchase, the Company paid $5,000 and was obligated to pay an additional $290,000. Through March 1992, the Company can perform certain due diligence on the property and may recind this purchase. However, the Company intends to pursue the development of the property.